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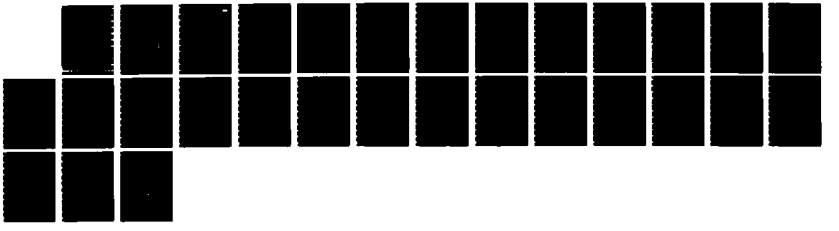

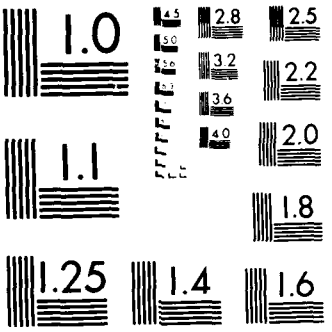

MOBILIZATION READINESS OF INSTALLATION SUPPORT CONTRACTORS

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David Metcalf
Douglas A. Ault

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LOGISTICS MANAGEMENT INSTITUTE
6400 Goldsboro Road
Bethesda, Maryland 20817-5886

Executive Summary

MOBILIZATION READINESS OF INSTALLATION SUPPORT CONTRACTORS

The Department of Defense has become increasingly dependent upon contractors for installation support services. There is concern that those contractors may be unprepared to provide adequate service during periods of mobilization.

We find that mobilization readiness of installation support contractors is generally not a problem. Most contracts are for low-skill housekeeping services that can be easily expanded during a mobilization. The few installations in each Military Department that have major contracts for administrative, logistics, or engineering support services critical to mobilization have taken steps to ensure contractor readiness. Contractors are no more reliant on former military members subject to recall than are comparable Government organizations.

DoD's continuing emphasis on the Commercial Activities program and competitions between Government and the private sector is likely to increase the number of contractors providing critical support services. To ensure the readiness of those contractors, we recommend that installation managers: (1) have mobilization plans, (2) delineate mobilization requirements in work solicitations, (3) include mobilization clauses in their contracts, and (4) require contractors to plan for the recall of former military personnel to active duty. Where appropriate, installations should include contractors in mobilization planning and exercises.

We also recommend that installations combine small single-function service contracts into larger multifunction contracts to allow more flexibility in achieving high work force and equipment utilization, and to simplify the job of contract administration.

MOBILIZATION READINESS OF INSTALLATION SUPPORT CONTRACTS

INTRODUCTION

Installation support services that were once provided primarily by Government employees are increasingly being performed by private companies under contract. That trend is the result of a policy established by Office of Management and Budget (OMB) Circular A-76, which requires the Government to contract with the private sector for such services if the private company can provide them at a lower cost. In the Department of Defense (DoD), the Commercial Activities program has implemented the OMB policy by reviewing installation support activities and, where feasible, competing them between in-house Government organizations and contractors. In cases in which an installation support service is supplied under contract, it is critical that the contractor be able to provide continued performance during periods of mobilization.

The shift from in-house Government support to contractor-provided support has not come without criticism. Those who argue against increased contracting believe that contractors are bound only to some minimal peacetime level of support. They contend that adequate support during an emergency or unusual circumstances will require contract modifications and cause considerable delay and expense to the Government. Advocates of private sector contracting, on the other hand, cite numerous examples of exemplary contractor support during difficult circumstances.

Contractors require different procedures to prepare and involve them in mobilization. While the in-house organizations respond to the priorities and guidance of the Government functional manager, the contractor does so only to the extent that those priorities and guidance are consistent with the contract.

Requirements beyond the scope of the contract require contract modifications that can be implemented only by the contracting officer. Furthermore, each contractor is an independent entity; several small contractors cannot be combined for ease of management as might occur if they were all Government employees.

These inherent differences pose potential readiness problems for installation support services during mobilization. The readiness of installation support service contractors to support mobilization is a critical question for DoD installations. This study examines the readiness of current support contractors and identifies contracting procedures which have proven successful in creating prepared and responsive contractors.

INSTALLATION MOBILIZATION REQUIREMENTS

Mobilization is the act of preparing for war or other emergencies by assembling and organizing national resources. There are different levels of mobilization that require a wide range of responses from DoD installations and affects critical installation support contractors.

Levels of Mobilization

The magnitude of a mobilization may vary from a limited selective mobilization to total mobilization (Table 1). Any mobilization requires Presidential and/or Congressional approval and involves the call-up of at least some Reserve component forces. For purposes of this assessment, full mobilization is an appropriate worst-case scenario to judge readiness; it supports the existing war plans and involves a defined force structure. (Total mobilization, on the other hand, represents requirements in excess of the current force structure that are not easily definable.)

TABLE 1. LEVELS OF MOBILIZATION

LEVEL OF MOBILIZATION	MOBILIZATION ACTION
SELECTIVE MOBILIZATION	During a domestic emergency, the Congress or the President may order the expansion of the active armed forces by mobilization of Reserve component units and/or individual reservists to protect life, protect Federal property, and function or prevent disruption of Federal activities. A selective mobilization normally would not involve the execution of contingency plans associated with external threats to the nation.
PARTIAL MOBILIZATION	The President may augment the active forces by calling up units of the Selected Reserve of up to 100,000 individuals for 90 days to meet the requirements of an operational mission. For a contingency operation or war plan, the Congress or the President may order augmentation of the active armed forces (short of full mobilization) by mobilization of up to one million individuals of Reserve component units and/or Individual reservists.
FULL MOBILIZATION	The President may call up all units in the existing approved force structure and all individual reservists and acquire the material resources needed by these units. Full mobilization must be authorized by Congress by public law or joint resolution declaring war or national emergency.
TOTAL MOBILIZATION	Total mobilization involves the expansion of the active armed forces by organizing and/or activating units in addition to those included in the approved force structure. It also involves organizing and assembling national resources, including production facilities, to round out and sustain such forces.

Installation Support for Mobilization

Preparation for war and formal mobilization requires installations to support the national armed forces in three general ways:

- They must provide logistics support for deployment of the active component.

- They must provide logistics support for deployment of Reserve component units.
- They must provide extended training for both components.

Requirements in these areas can occur in any order, although it is generally expected that active forces will deploy early. The active forces will require varied levels of support: naval forces, for example, may already be at sea and require minimal additional support, while an Army unit may have a critical equipment shortage requiring emergency logistics support.

Army installations must provide all three types of support and may have to do so simultaneously. Army installations are classified according to their parent Major Command, with Forces Command (FORSCOM) and Training Command (TRADOC) being the two principal CONUS-based Major Commands with numerous troop installations. The main peacetime mission of FORSCOM installations is to host an active division or corps; TRADOC installations serve as training centers for a branch (infantry, armor, engineer, etc.). TRADOC installations frequently have FORSCOM units as tenants, and many FORSCOM installations have requirements to establish entry level training. In periods of mobilization, both will receive large volumes of Reserve component forces. Army installations can expect large, and in some cases, seemingly overwhelming support service requirements that often may have to be accomplished simultaneously.

The Navy's installation mobilization requirements differ substantially from those of the Army. Navy ships can move at virtually a moment's notice with everything they need to sustain combat operations for an extended period. On the other hand, since a ship is a large capital asset with a long production lead time, very little possibility exists to add to the force structure during mobilization. In view of these two factors, it is clear that the Navy's mobilization problem is much less severe than that of the Army; most of the Navy's personnel and assets will be in place on M-

day (mobilization day). Additionally, the Navy is much less dependent on Reserve forces and many reserve units augment active forces. The primary mobilization concerns for the Navy will be an increased tempo of operations which will require supply and other logistics support and expansion of the training base to meet wartime requirements. This latter requirement will be on a much smaller scale than that of the Army and will probably be spread over a longer time period.

Like the Navy, the Air Force's major assets, its aircraft, are mobile. However, the Air Force must establish forward bases for these aircraft, and to do so, it has retained many of its installation support functions within the military. Air Force mobilization scenarios call for installation support personnel now employed at CONUS bases to deploy to advance bases with their aircraft squadrons and wings. Under this type of scenario, the mobilization support mission for the Air Force is highly self-contained. Furthermore, because of this mission requirement, the Air Force has been able to exempt many installation support functions from being contracted, leaving them fairly immune from any possible adverse impacts of contracting. Like the Navy, Air Force is constrained by its capital equipment, which means that it will not undergo a significant growth in total force structure. For that reason, even the training mission of the Air Force will remain much more stable than that of the Army during a full mobilization unless a very long war is envisioned.

All Military Departments practice deployment of their forces through peacetime exercises which provide valuable information on the extent of installation support services required and the readiness of Government in-house organizations or contractors to perform them.

Critical Contracted Services

Although housekeeping contracts (janitorial, grounds-keeping, refuse collection, etc.) account for most of the contracted services on an installation, they

involve low-skill positions and noncritical activities that can be easily replaced and hence, have little potential impact on mobilization. While food service will be important to the expanded installation, any shortfalls can be made up easily hiring new personnel, using cooks from the military units, or using other military personnel to perform the function as an extra duty.

Installations with specialized support missions such as depot level maintenance, depot supply, research and development, or procurement often use contractors to perform these missions. These types of contractors are not considered installation support, and although their services are clearly critical to the installation mission, they are not the subject of this study. For the purposes of this study, they are referred to as mission contractors.

Contracted support services that will be critical to the installation during any emergency generally fall into one of three categories: administrative, logistics, or engineering. Administrative services involve overall management, processing, and accountability of personnel and equipment, and they are not usually performed by contractors. Logistics support services involve maintenance, supply, and transportation functions, each of which has an important role in the preparation and deployment of military forces. The installation maintenance shop provides intermediate maintenance and a critical backup capability to the unit's military maintenance assets. The supply activity processes requisitions, ensures that each unit has sufficient supplies and equipment, and procures hard-to-obtain spares or equipment. The transportation office has the critical function of interacting with commercial transportation. It also manages the installation's administrative vehicles and may operate the installation's fuel points.

Installation engineering services are responsible for renovating old living space and providing new space for the expanded population. The facility engineer

provides the installation with technical management and also with material support for rail and air movement of military equipment.

READINESS OF INSTALLATION SUPPORT CONTRACTORS

Currently, only a few installations in each Service rely on contractors for critical operating support. Shown in Table 2 are those installations whose primary mission is to either host military forces or train military personnel and whose administrative, logistics, or engineering support is provided for in a large part by contractors. The installations considered in this analysis and listed in the Appendix illustrate the predominance of housekeeping support services; 74 percent of Army, 68 percent of Navy, and 79 percent of Air Force contractor man-years are for housekeeping services.

TABLE 2. INSTALLATIONS WITH CRITICAL INSTALLATION SUPPORT SERVICES CONTRACTS

INSTALLATION	CONTRACT SIZE (STAFF YEARS/YEAR)	TYPE OF CONTRACT
ARMY		
Ft. Huachuca, AR	208	Logistics Support
Ft. Riley, KS	142	Logistics Support
Ft. Gordon, GA	1,112	Logistics Support
Ft. Eustis, VA	382	Logistics Support
Ft. Belvoir, VA	246	Facility Engineering
NAVY		
Whiting Field, FL	563	Training Support
Barbers Point, HW	240	Umbrella Contract
Sub Base Bangor, WA	1,194	Total Base Operations
Air Station, Memphis, TN	241	Facility Engineering
AIR FORCE		
Vance AFB, OK	1,182	Total Base Operations

NOTE: The above installations have primary missions to host military forces or train military personnel and have large administrative, logistics, or engineering support contracts.

Five of the Army's six large contracts for critical support services are logistics support contracts. Site visits were made to Ft. Gordon, Ft. Eustis, and Ft. Riley to determine the experience of those installations with their contractors.

Ft. Gordon and Ft. Eustis have had considerable success with their logistics contracts. The contract at each installation is a large, multifunction contract managed by a national organization; Pan Am at Ft. Gordon and Northrop at Ft. Eustis. Both contracts are cost-plus-award-fee.

The contractors take part in all emergency exercises and have performed well during these exercises and during actual deployments of units to Honduras and Grenada. Each installation cited numerous examples of exceptional responses by the contractor. Installation personnel attribute the success of the contract arrangement to three factors: the contractor is involved in exercises; the contractor is large, which provides a central contact for a wide range of contract services; and the cost-plus contract type allows the contractor flexibility.

The support provided by the contractors at Ft. Riley is very different from that at Ft. Gordon or Ft. Eustis. At Ft. Riley, instead of a single large contractor providing a range of logistics functions, many small contractors provide those services. In addition, these small contracts are fixed-price types rather than cost-reimbursable. During a national emergency or mobilization, the installation will have to amend the existing contracts or negotiate new contracts for all contractors and will have to coordinate the activities of each independently. Contractor performance during recent exercises at Ft. Riley has been satisfactory. In January 1986, Ft. Riley supported the deployment of the 1st Infantry Division to participate in the REFORGER (Return of Forces to Germany) exercise.

Only at Ft. Riley were concerns expressed that the contractor would not be able to support a full mobilization. These fears were expressed by Reserve Affairs personnel responsible for planning the reception of a total Reserve force several

times larger than the current population. This problem reflects a lack of resources and not a shortfall on the part of individual contractors.

The facility engineering contract at Ft. Belvoir was just recently awarded and is in a considerable state of flux. Most of the Government employees who lost their jobs as a result of the competition did not join the contractor's staff. Instead, they chose to stay in Government service at one of the many military installations in the Washington, D.C. area. The high level of employee turnover is affecting the contractor's performance and the readiness to support mobilization. These problems should diminish as the new employees gain experience.

The Navy has several installations operating with large multifunction contracts (Table 2). At the largest, Naval Submarine Base Bangor, the contractor provides total base operating support. This support includes base administration, logistics, and engineering support. The Naval Forces there (Trident Submarines) are either deployed or preparing for deployment, and it is doubtful that mobilization would significantly alter the base, or the contractor's responsibilities. At NAS Memphis, the installation considers its mobilization mission to be relatively uncomplicated. It is a training installation, and it expects to convert to double or triple shifts to meet the increased requirements. The contractor provides facility engineering under a fixed-price contract. During mobilization, the contractor only needs to increase the tempo of operations to meet the requirements. A cost-reimbursable contract would meet mobilization requirements better, and the installation will probably convert to such a contract during an emergency. The existing contract does not, however, represent a significant burden.

The other Navy installations with multifunction contracts face similar situations. At each, during mobilization, the contractor is expected to perform the same type of service that it currently does.

Air Force installations do not rely on contractors to provide critical support to operational forces. As shown in Table A-3 in Appendix A, only one installation, Vance Air Force Base (AFB), has significant contractor-provided support for other than housekeeping services. The contractor at Vance AFB, Northrop, provides total base support and is very capable of supporting the current installation mission of undergraduate pilot training during a national emergency. Similar to the Navy installations with multifunction or total base contractors, the Vance AFB contractor will be required to provide support similar to its current mission.

CREATING RESPONSIVE CONTRACTORS

DoD's increased emphasis on the Commercial Activities program will lead to new contractors in critical support service roles. It is important that installations managers take steps to assure that those contractors are prepared and committed to supporting mobilizations. We have found a number of common steps and procedures for creating responsive contractors. The lessons are: (1) mobilization must be part of the contracting process, (2) installations must plan for mobilization, and (3) they should use multifunction cost-plus contracts when possible.

Mobilization as Part of the Contracting Process

Although an installation may have an aggressive mobilization office, if mobilization issues are not part of the contract formulation process, the resulting contract may preclude the contractor from preparing for mobilization.

The contracting office seeks to award the most appropriate type of contract to ultimately serve the Government. Most often, the primary criteria for such award is dollar savings, and the contracting office does not normally have a detailed knowledge of the installation's mobilization challenge. The Government functional area manager (the potential customer) often has a strong bias toward keeping the activity in-house and may try to influence the contract size and type to best protect the Government work force. The functional manager is typically more

concerned with day-to-day issues than with preparing for a low-probability, full mobilization scenario. Given the priorities of these two parties, the influence of a mobilization planner is important to ensure that contractor flexibility and responsiveness is emphasized.

Mobilization personnel do not exert sufficient influence on the contract type or size. Contract size and type decisions are generally made for reasons other than mobilization requirements. Current Commercial Activities program solicitations follow that same trend. Mobilization planners are, however, becoming involved in development of the performance work statement at some installations. At Ft. Sill, for example, for a logistics support services contract, the work statement concerning mobilization was drafted with the assistance of mobilization personnel. The result was a requirement that the contractor submit a mobilization plan as part of the proposal and take part in installation exercises, and that contract operations be expanded in an actual emergency. In addition, the contractor's proposed mobilization plan will be graded as part of the overall technical evaluation.

Installations Must Plan for Mobilization

Realistically, contractors can only be expected to be as prepared for an emergency as the installation is. Without a well-defined mobilization mission and a plan to execute it, the contractor has no basis for planning. Prepared and responsive contractors were, in part, a product of the installation mobilization office.

Army installations use a series of exercises called Emergency Deployment Readiness Exercises (EDREs) to evaluate their ability to respond to a given emergency and to deploy some or all of their active forces. The scope of these exercises varies from small, company-size simulated deployments to the actual deployment of a large force, such as the 1st Infantry Division to Europe to participate in the REFORGER exercise. When they are realistic, the exercises are instrumental in involving appropriate contractors. The contractor becomes part of the

mobilization process and has to solve many of the problems uncovered. The exercises also force the contractor to work with those offices or activities with which he would have to coordinate in an actual deployment. They develop a sense of teamwork between the participants as each relies on the other in order to ensure the success of the entire effort. The sense of team is clearly evident at Ft. Eustis, VA, and Ft. Gordon, GA. The key participants from the functional activity, the contract administration office, the mobility action office, and the contractor all evaluate past exercises and actual deployments as team efforts.

These details of planning and exercising are directed primarily at the active forces on the installation. As such, the contractor's efforts and plans are also so directed. If the installations were to place additional emphasis and resources on preparing in detail for receiving Reserve forces or establishing additional training, the contractor would do so as well.

Multifunction Cost-Plus Contracts Offer Management Expertise and Flexibility

Currently, DoD installation service contracts tend to be single-function, firm-fixed price (FFP). In the critical area of facility engineering and logistics contracts, the contracts are split between the smaller ones (normally FFP) and the larger, multifunction ones (normally cost-plus). For mobilization purposes, the most effective contract size is one that combines small single activities into one functional area. These consolidated contracts, often referred to as multifunction packages, offer significant advantages over many small contracts.

Multifunction contracts provide a more-qualified, efficient, and well-supported management structure. At Ft. Eustis, for example, the industrial operations contractor (Northrop) was able to hire retired military officers who had served at Ft. Eustis in a similar capacity. This well-experienced management structure was able to consolidate and coordinate the mobilization requirements of

each of the activities. Furthermore, if Northrop at Ft. Eustis were to run into problems, it could receive support from other Northrop installations. Such outside support was provided in one instance at Ft. Jackson, SC, when the Pan Am contractor used a laundry facility at another nearby Pan Am installation (Ft. Gordon) until the Ft. Jackson facility could respond. The higher corporate headquarters can also be expected to check the performance of the installation team and to make corrections where appropriate.

Under multifunction contracts, installation personnel have to coordinate activities with only one contractor. Having a single point of contact is particularly important when support from one function either overlaps or is reliant on one or more other activities. With the multifunction contract, determining responsibility in specific functional areas or ensuring that one contractor properly supports another becomes the problem of the primary contractor rather than the Government. At Ft. Eustis, a Government industrial operations representative stated that it would have been a nightmare had the installation tried to deploy one of its units with support from many small contractors. With multifunction contracts, the primary contractor can use its functional resources more flexibly than can the Government. The Government would not, for example, be able to reallocate resources from different contractors as the situation dictates; the multifunction contractor can readily do so.

For mobilization support services, fixed-price contracts require either contract modifications or a new contract. This procedure may cause an interruption in the support and an additional contract administration action.

In practice, contractors with cost-reimbursable, multifunction contracts have responded well to actual emergencies. Ft. Eustis deployed on short notice company-size units to both Honduras and Grenada. The installation support services contractor responded immediately with support that was outside the scope

of the contract. While similar contractors with fixed-price contracts at Ft. Riley, KS, or NAS Memphis, may respond equally as well under similar circumstances, they most likely would perform under an unpriced agreement, which gives the Government fewer rights when settlement for the out-of-scope work is made.

CHECKLIST FOR EVALUATING SUPPORT SERVICE CONTRACTORS

Table 4 presents a checklist which installation personnel can use as a guide to determine how prepared a contractor is to support mobilization. In the table, Section 1 tests the support provided by the installation. Although this section asks questions that are beyond the control of the contractor, their answers are critical to an evaluation of the contractor. Section 2 tests whether this knowledge is being communicated to the contractor. Section 3 asks whether once aware of his tasks, the contractor has planned to respond. Section 4 asks how flexible and capable the contractor is to changes and new missions. Although it is desirable that a contractor be well prepared to respond to the known tasks, a contractor who can change the level and type of support quickly can overcome inadequate planning. Section 5 assesses the potential for a shortage of contractor personnel.

Each question must be answered in light of the missions the installation is expected to perform. An installation may have a comprehensive plan to deploy active forces, but it may not have considered how to receive the Reserve component units scheduled to arrive.

It would be unreasonable to expect the contractor and the installation to have a "yes" in each block of Table 4. Not every block is applicable to every contractor; for example, a training facility such as NAS Memphis does not have a mission to deploy active duty units. In addition, some of the questions are more critical than others. An installation with large known missions needs to have positive answers for the questions in Section 1, 2, and 3. On the other hand, if the installation does not have clearly defined missions and tasks for the contractor, then it is critical that the

TABLE 4. CHECKLIST FOR EVALUATING CONTRACTOR MOBILIZATION READINESS

CHECKLIST FOR EVALUATING SERVICE SUPPORT CONTRACTORS	DEPLOYMENT OF ACTIVE FORCES	PREPARATION AND DEPLOYMENT OF RESERVE FORCES	EXPAND/ ESTABLISH TRAINING CAPABILITY
1. Has the installation defined the mission? - Has the installation defined its mobilization/emergency missions? - Has the installation delineated mobilization/emergency responsibilities? - Has the installation quantified the missions? (examples: x number of trainees by month 3, y number of reserve units by month 4, etc.) - Has the installation developed an implementation plan? - Does the installation practice the plan?			
2. Is the contractor aware of his responsibilities? - Does the contractor have a general knowledge of the installation's missions? - Does the contractor know his mobilization/emergency responsibilities? - Does the contractor know the plan for conducting these responsibilities? - Is the contractor contractually bound to support mobilization? (Is there a mobilization clause in the contract?) - Does the contractor have knowledgeable managerial personnel?			
3. How well prepared is the contractor to expand support? - Has the contractor participated in installation exercises? - Has the contractor identified sources of additional personnel? - Has the contractor identified alternate sources of supplies or equipment? - Does the contractor have an implementation plan?			
4. How responsive and flexible is the contractor? - Does the contractor have responsive management? - How has the contractor performed during recent exercises or actual emergencies? - Will the contractor require a contract modification to begin support? - Is the contractor of sufficient size to be able to reallocate resources to high priority areas? - Does the contractor have an established cost accounting system? - Can the contractor borrow assets from a nearby installation supported by the same parent organization? - Does the contractor have a procedure to alert its personnel?			
5. Will the contractor experience personnel shortfalls? - Is the contractor dependent on former military members subject to recall? - Has the contractor received exemptions for critical management personnel? - Can the contractor expect to find technically qualified personnel locally? (Or is the installation in an isolated area?)			

contractor score well in Section 4. Positive responses to the first question and at least five of the remaining six questions in that section indicate a responsive contractor.

For active installations with all three missions, deployment of the tenant units is the most probable emergency to which they will have to respond.

CONTRACT VERSUS IN-HOUSE INSTALLATION SUPPORT SERVICES

Contractors for all Military Departments will no doubt find mobilization support challenging. The lessons from past and existing contracts identify procedures to make contractors as prepared and responsive as possible. A more relevant issue is whether contractors have any inherent advantages or disadvantages over in-house organizations in providing installation support services during mobilization.

In a peacetime environment, contractors have considerable flexibility in their hiring practices. They can hire personnel virtually overnight and have done so in a number of instances. Government hiring practices, on the other hand, are more cumbersome and time-consuming during peacetime but will be streamlined during mobilization. Nonetheless, the contractor still has the advantages of having a streamlined system in place and, unlike the Government, few restrictions in releasing personnel.

In-house Government activities have a significant advantage over contractors in that they are not bound to the limitation of a contractual agreement. The extent of that advantage is dependent on the actual contract, and how strictly the parties adhere to it during an emergency. Under a multifunction cost-plus contract, the contractor may be able to shift resources to meet the emergency. If the contractor can defer lower priority work required by the contract and perform work outside the scope of the contract, he has essentially the same flexibility as any in-house force. If, on the other hand, the service once performed by in-house personnel is performed by

many contractors under small fixed-price contracts, considerable flexibility is lost. Resources cannot be allocated between contractors, and out-of-scope work will require contract modification.

Both work forces rely on former military members. A sampling of contractors shows that most larger contractors have about 20 percent former military members who are eligible for recall to the Service. The Government work forces are much the same; workers in critical positions are required to receive a waiver of recall to the Service. Most contractors interviewed had requested waivers for their key management personnel (see Table 5).

TABLE 5. FORMER MILITARY MEMBERS SUBJECT TO RECALL

INSTALLATION	EMPLOYEES ELIGIBLE FOR RECALL			TOTAL EMPLOYEES	% SUBJECT TO RECALL
	RETIREES WITH ORDERS	ACTIVE RESERVE	TOTAL		
Ft. Gordon, GA (Pan Am)	42	19	61	535	11%
Ft. Eustis, VA (Northrop)			87	380	23%
NAS Memphis, TN (RCA)			53	241	22%
Ft. Riley, KS (Acrft. Maint. Contract)	0	5	5	39	13%
Trident Sub Base, Bangor, WA (Pan Am)	6	16	22	1100	2%
Ft. Huachuca, AR (Pan Am)	18	0	18	175	10%
Ft. Bragg, NC (Pan Am)	19	3	22	42	52%
Vance AFB, OK (Northrop)	118	34	152	1200	13%

Conversion from in-house to contractor support or a change in contractors creates a turbulence that is detrimental to readiness. The impact is somewhat decreased since a new contractor normally hires many, if not most, of the personnel who formerly performed the function. This rehiring is especially true in isolated areas in which few other opportunities exist for the displaced personnel and few other qualified replacements are available for the new contractor to hire. Nonetheless, a changeover in contractors involves a new management structure and at least some new technical personnel and requires a familiarization period during which capabilities to respond to an emergency are decreased.

CONCLUSIONS

Service contractors providing DoD installation support will generally be able to provide adequate services during periods of mobilization. Most installation support contracts are for housekeeping services with low-skill positions that can be easily replaced or expanded during a mobilization. Only a few installations in each Military Department have major support contractors for services that are critical to mobilization. For those services, most, but not all, installations have taken steps to assure contractor responsiveness. To assure the readiness of all critical service contractors, installations must have mobilization plans and must communicate those plans to the contractor. Multifunction cost-reimbursable contracts are the best for mobilization purposes since the resulting contractor has considerable flexibility in allocating resources and effort.

For mobilization purposes, the most effective contract size is one that combines small, single-function activities into one functional area. These consolidated multifunction packages offer significant advantages over many small contracts.

Contractors present no significant inherent advantages or disadvantages over in-house work forces. Contractors have more flexibility in their hiring practices, particularly during peacetime, while in-house resources can generally be more

flexibly realigned to meet requirements. Both are vulnerable to activation of former military members to an active status.

RECOMMENDATIONS

Installations should continue to contract for functions that will have critical roles during mobilization. They should do so, however, only if they are prepared to incorporate mobilization into the contract. We recommend that:

- During the formulation of the contract, prior to solicitation, the installations investigate mobilization issues and give favorable consideration to multifunction cost-reimbursable contracts
- A mobilization clause be included in each contract and mobilization requirements delineated in the work statement
- Where appropriate, contractors be part of the mobilization process and be active participants in all exercises
- Installations monitor contractors' levels of former military members eligible for recall to the Services and require contractors to request exceptions for key managerial and technical personnel.

Emphasis at the installation level to implement the above recommendations will ensure that all critical installation support contractors are prepared to support mobilization.

APPENDIX

MAJOR CONUS INSTALLATIONS

TABLE 1. MAJOR U.S. ARMY CONUS TROOP INSTALLATIONS

(Major Troop Installations With Over 300 Work-year Equivalents Included)

INSTALLATION	CONTRACTOR MAN-YEARS/YEAR	
	HOUSEKEEPING/ OTHER	LOGISTICS AND ENGINEERING
Ft. McClellan, AL	673	
Ft. Rucker, AL	824	2,078
Redstone Arsenal, AL	541	5
Ft. Huachuca, AR	101	208
Ft. Irwin, CA	13	1,005*
Ft. Ord, CA	478	50
Ft. Carson, CO	315	21
Ft. Benning, GA	698	0
Ft. Gordon, GA	412	1,112
Ft. Stewart, GA	568	18
Schofield Barracks, HW	237	0
Ft. Ben Harrison, ID	345	
Ft. Riley, KS	696	142
Ft. Campbell, KY	863	
Ft. Knox, KY	938	
Ft. Polk, LA	580	
Aberdeen Proving Grd., MD	307	
Ft. Devens, MA	780	7
Ft. Leonardwood, MO	884	
Ft. Dix, NJ	673	16
Ft. Bragg, NC	1,349	

*Ft. Rucker has a 2,078 man-year equivalent Aircraft Maintenance contract and Ft. Irwin has a 1,005 man-year equivalent training support contract. Both support the installations' primary mission and are mission-type contracts.

TABLE 1. MAJOR U.S. ARMY CONUS TROOP INSTALLATIONS

(Major Troop Installations With Over 300 Work-year Equivalents Included)

INSTALLATION	CONTRACTOR MAN-YEARS/YEAR	
	HOUSEKEEPING/ OTHER	LOGISTICS AND ENGINEERING
Ft. Sill, OK	1,813	54
Ft. Jackson, SC	429	
Ft. Bliss, TX	915	35
Ft. Hood, TX	2,348	51
Ft. Belvoir, VA	544	246
Ft. Eustis, VA	378	382
Ft. Lee, VA	1,278	
Ft. Lewis, WA	712	
TOTALS	20,692	4,222

*Ft. Rucker has a 2,078 man-year equivalent Aircraft Maintenance contract and Ft. Irwin has a 1,005 man-year equivalent training support contract. Both support the installations' primary mission and are mission-type contracts.

TABLE 2. SELECTED NAVY INSTALLATIONS

AREA/INSTALLATION	CONTRACTOR MAN-YEARS/YEAR	
	HOUSEKEEPING/ OTHER	LOGISTICS AND ENGINEERING
SAN DIEGO, CA		
Air Station, North Island	133	23
Amphibase, Coronado	67	
Public Works Center	394	
Sea Supply Center		70
Sub Supply Center	16	
Supply Center	61	
TOTAL	671	93
LONG BEACH, CA		
Shipyard	189	
STA	92	
TOTAL	281	0
HAWAII		
Barbers Point	65	240*
Com Arty Mstr Sta, Honolulu	26	80*
Public Works Center	106	
Shipyard, Pearl Harbor	110	
Subbase, Pearl Harbor	17	
STA, Pearl Harbor	29	
Supply Arty.	34	13
TOTAL	387	333
GREAT LAKES, IL		
Public Works Center	90	
SUC SCL CMD TRA CEN	590	
TOTAL	680	0

*Multifunction contract.

NOTE: Installations with significant "mission" contractors were not included. Only installations in excess of 100 work-years are included.

TABLE 2. SELECTED NAVY INSTALLATIONS

AREA/INSTALLATION	CONTRACTOR MAN-YEARS/YEAR	
	HOUSEKEEPING/ OTHER	LOGISTICS AND ENGINEERING
CHARLESTON, SC		
Base	7	
Reg Med Cer	85	
Shipyard	291	
STA	54	
Supply Center	26	
SUPSHIP	68	
WPNS STA	162	
NORFOLK, VA		
Air Station	124	34
Little Creek	123	
Base, Norfolk	21	
Public Works Center	315	
Shipyard	439	164
SIMA		6
Supply Center	117	135
TOTAL	1,139	339
CB Center, Port Hueneme, CA	190	55
Subbase, New London, CT	105	
Air Station, Key West, FL	135	
Subbase King's Bay, GA	6	400*
Air Station, Memphis, TN	410	241
Subbase, Bangor, WA	210	1,194*
Air Station, Jacksonville, FL	124	
Mayport, FL	207	
TOTALS	5,519	686 1,194*

*Multifunction contract.

NOTE: Installations with significant "mission" contractors were not included. Only installations in excess of 100 work-years are included.

TABLE 3. SELECTED AIR FORCE INSTALLATIONS

INSTALLATION	CONTRACTOR MAN-YEARS/YEAR		
	HOUSE-KEEPING/ OTHER	LOGISTICS AND ENGINEERING	
			DESCRIPTION
Maxwell AL	246	34	Motor Vehicle Maintenance
Elmendorf, AK	476		
Williams, AR	311	82	Motor Vehicle Maintenance, Aircraft Refueling
Travis, CA	339	34	Aircraft
Dover, DL	198		
Hickam, HW	323		
Loring, MA	262		
Andrews, MD	556		
Columbus, MS	280	29	Motor Vehicle Maintenance
Offutt, NB	369		
Nellis, NV	387		
McGuire, NJ	215		
Kirtland, NM	816		
Vance, OK		1,882*	Total Base Ops
Charleston, SC	248	21	Aircraft
Langley, VA	471	40	Motor Vehicle Maintenance
TOTALS	5,497	240 1,182*	Motor Vehicle Maintenance

*Total base operations contract includes housekeeping, logistics, and engineering.

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There is concern that installation support contractors may be unprepared or unable to provide adequate service during periods of mobilization. We find this is not a problem. Contractors present no significant inherent advantages or disadvantages over in-house work forces. Contractors are more flexible in their hiring practices during peacetime, while in-house resources are easier to realign to meet changing requirements. To ensure the readiness of service contractors, we recommend that installation managers: have mobilization plans, delineate mobilization requirements in work solicitations, include mobilization clauses in their contracts, and require contractors to plan for the recall of former military personnel to active duty.

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